

SPORTS LAW PRACTICE

Martin J. Greenberg

58710

COPYRIGHT © 1993

BY

THE MICHIE COMPANY

Library of Congress Catalog Card No. 92-85000

ISBN 0-87473-961-6

All rights reserved.

PREFACE

Sports Law Practice is an easy-to-read, two-volume set of books that will provide practical legal commentary and forms pertaining to sports law practice. The work is designed not to be esoteric or analytical, but to treat the law pragmatically from a practitioner's perspective by delving into the laws that relate to sports, with examples, statistics, and other interesting economic data.

I believe the work will become a sound addition to the library of books previously written in the area of sports law by Robert T. Berry, Glenn M. Wong, John C. Weistart, Cym Lowell, Ray Yasser, C. Peter Goplerud, Jim McCurdy, Gary Uberstein, Walter Champion, Jr., and Lon Sobel. These professors and lawyers all should be congratulated for the substance of their works and for their individual contributions to the body of literature.

During the writing of this work, two of those closest to me passed away. These books are especially dedicated to Sol Greenberg, my father, who taught me that everything that glistens is not gold — to look at life for what it is, not what it appears to be, and hard work is the only real road to success; and to Jack C. Young, my “second father,” who taught me to walk with paupers and kings and whose wonderful “Top of the morning to you” outlook on life was always a beacon in my life, as was his every word a lesson in humility and human kindness.

I miss both of you dearly.

The work is also dedicated to:

My wife, Bev, whose judgment and sense of right are unsurpassed and who continuously, but compassionately, reminds me of what truly is important in life.

My son, Steven, who shares the delight of sports with me and who is my bright light, our future, and into whose hands the tradition of learning will pass.

Kari, my daughter, who serves as a constant inspiration and reminder of the beauty and honesty in our world.

Juanita Sisson, my secretary (but really my executive director), whose extraordinary loyalty, patience, and work exceeded all boundaries.

Joe Goldberger, my trusted associate, whose time and attention to our booming law practice made it possible for me to spend the additional time needed to make this work a reality.

Professor Chuck Mentkowski, chairman of the board of the National Sports Law Institute, my mentor and longest friend, whose belief in me and in an idea are largely responsible for this work today.

Dean Frank DeGuire and Marquette University Law School, for recognizing that sports law is a legitimate academic concern and who have given license to the concept of the National Sports Law Institute, supported its activities, and contributed resources and assets to the production of these books.

Jim Gray, associate director of the Institute, whose commitment to the NSLI and sports law is unparalleled and whose research, writing, coaching, cheerleading, and friendship are absolute and integral parts of this work.

Mike Goller, my primary research assistant, whose long hours of toil and dedication to detail and to finding the answer are greatly appreciated.

The law students — some of whom now are lawyers — of Marquette University Law School who dedicated their talents and tireless efforts in the research and writing of parts of this work:

Todd Podell	Baseball Contracts
Pattie Baker	Officials, Endorsement Contracts
Florence Johnson and Elizabeth Baker	Enforcing Sports Contracts
Jeff Femrite	Tax Planning
Bob Uecker and Jeff Conta	Teams
Howard Sricula, John Drama, and Meg Mulchahy	Collective Bargaining Agreements and Arbitration
David Stegeman	NFL, NBA, and MLB
Jim Green	Licensing and Sponsorship Agree- ments

Tim Corwin, Michelle Martin, and Robert Gray	Agents
---	--------

Peter Faust and Mark Brault	Research and Proofreading
--------------------------------	---------------------------

Julia Young — a special thanks for her patience and expert proofreading eye.

And finally, to the active sports community and Sports Bar, whose assistance, direction, and counsel helped absolutely to improve the quality of these books:

Attorney Samuel Recht	Basketball Contracts
Attorney Ralph Cindrich	Football Contracts — Forms
Attorney Ray Anderson and Attorney Earl Karp	Baseball and Football Contracts — Forms

PREFACE

Attorney Ulice Payne and
Attorney David Sisson
Kevin Wullf and
Ray Trifaro

Agents — NFL

Licensing and Sponsorship Agree-
ments

Attorney Mel Narol
and Barry Mano

Officials

Sal Bando

Baseball Contracts

Attorney Robert Leib

Tax Planning

Attorney Ted Updike

Baseball Contracts

Attorney Ed King and
Tom Collins

Agents

Attorney Steven Barkin

Workers' Compensation

I also wish to thank the four founding sponsors of the National Sports Law Institute for their support of the Institute and these books in particular. Specifically I wish to thank Bob Harlan of the Green Bay Packers, Lloyd and Jane Pettit and Joe Tierney of the Milwaukee Admirals, Bud Selig of the Milwaukee Brewers, and Senator Herb Kohl and John Steinmiller of the Milwaukee Bucks. In addition, I wish to thank Bill Schmus of Miller Brewing Company for sponsoring the National Sports Law Institute and supporting the completion of these books as well.

SUMMARY TABLE OF CONTENTS

Volume 1

Chapter 1.	Collective Bargaining Agreements and Arbitration
Chapter 2.	Enforcing Sports Contracts
Chapter 3.	Basketball Contracts
Chapter 4.	Football Contracts
Chapter 5.	Baseball Contracts
Chapter 6.	College Coaches' Contracts
Chapter 7.	Endorsement Contracts
Chapter 8.	Licensing and Sponsorship Agreements
Chapter 9.	Tax Planning
Chapter 10.	Agents
Chapter 11.	Teams
Chapter 12.	Workers' Compensation
Chapter 13.	Officials

Volume 2

Appendix A	Collective Bargaining
Appendix B	Basketball
Appendix C	Football
Appendix D	Baseball
Appendix E	Coaches
Appendix F	Endorsements
Appendix G	Licensing
Appendix H	Agents
Appendix I	Teams
Appendix J	Officials
Appendix K	Miscellaneous

Table of Cases

Table of Statutes

Index

TABLE OF CONTENTS

Volume 1

	<i>Page</i>
<i>Preface</i>	iii
 CHAPTER 1 COLLECTIVE BARGAINING AGREEMENTS AND ARBITRATION 	
§ 1.01. The Beginning of Antitrust Actions	3
§ 1.02. The Sherman Act	4
1.02(1) Treble Damages	5
1.02(2) Judicial Interpretation of Act	5
1.02(2)(a) Official Purpose of Act	6
1.02(2)(b) Populist School	6
1.02(2)(c) Rule of Reason	6
1.02(2)(d) Activities Deemed Illegal Per Se	8
1.02(2)(e) Chicago School	9
§ 1.03. Labor Laws	11
1.03(1) The Statutory Exemption	11
1.03(2) The Nonstatutory Exemption	13
1.03(2)(a) Test for Application and Exemption	13
1.03(2)(b) Cases Applying Nonstatutory Exemptions ...	14
1.03(2)(c) Effect of Expiration of Collective Bargaining Agreements	16
1.03(2)(d) Actions Following Decertification of Union ..	18
1.03(2)(e) Action on Uniform Salary Provisions	21
§ 1.04. Collective Bargaining	24
1.04(1) National Labor Relations Act	24
1.04(2) Subjects of Collective Bargaining	25
§ 1.05. Major League Baseball: Antitrust Actions	26
1.05(1) <i>Federal Baseball Case</i> — Interstate Commerce Question	26
1.05(2) <i>Gardella Case</i> — Reserve System Challenged	28
1.05(3) <i>Toolson Case</i> — <i>Federal Baseball</i> Affirmed	29
1.05(4) <i>Flood v. Kuhn</i> — <i>Federal Baseball</i> and <i>Toolson</i> Af- firmed	30
1.05(5) State Antitrust Law Not Applicable	32
1.05(6) Fall of the Old Reserve System	35
1.05(7) Collusion Cases	39

	<i>Page</i>
1.05(8) Baseball Strikes	43
§ 1.06. National Basketball Association: Antitrust Actions	44
1.06(1) Basketball Subject to Antitrust Laws — Four-Year College Rule Challenged	44
1.06(2) The <i>Robertson</i> Case	45
1.06(2)(a) Changes in Collective Bargaining Agreement	46
1.06(2)(b) Settlement Agreement	47
1.06(3) Challenges to Salary Cap	48
§ 1.07. National Football League: Antitrust Action	52
1.07(1) Football Subject to Antitrust Laws — <i>Radovich</i> Case	52
1.07(2) Challenges to “Rozelle Rule”	54
1.07(2)(a) <i>Kapp</i> Case	54
1.07(2)(b) <i>Bryant</i> Case	56
1.07(2)(c) <i>Mackey</i> Case	57
1.07(2)(d) Objections to <i>Mackey</i> Settlement	59
1.07(3) Draft System Held Invalid	59
1.07(4) Modifications to Collective Bargaining Agreement ..	60
1.07(5) 1987 Strike — <i>Powell</i> Case	61
1.07(6) Decertification of NFLPA — <i>McNeil</i> Case	63
1.07(7) Action of Uniform Salary Provisions — <i>Brown</i> Case	63
1.07(8) Action on Plan B Free Agency — <i>Hebert</i> Case	64
§ 1.08. Arbitration	65
1.08(1) Introduction	65
1.08(1)(a) Procedure Established in Collective Bargain- ing Agreements	65
1.08(1)(b) Advantages and Disadvantages	66
1.08(1)(c) Disputes Subject to Arbitration	67
1.08(1)(d) Parties to Arbitration	67
1.08(1)(e) Role of Arbitration	68
1.08(2) Nature of Arbitration	69
1.08(2)(a) In General	69
1.08(2)(b) “Grievance” Defined	69
1.08(2)(c) Advantages of Arbitration	70
1.08(2)(c)(i) Speed	70
1.08(2)(c)(ii) Informality	71
1.08(2)(c)(iii) Privacy	72
1.08(3) Law of Arbitration	73
1.08(3)(a) In General	73

TABLE OF CONTENTS

	<i>Page</i>
1.08(3)(b) Labor Arbitration	74
1.08(3)(b)(i) Background	74
1.08(3)(b)(ii) National Labor Relations Act	74
1.08(3)(b)(iii) Authority of National Labor Relations Board	76
1.08(3)(b)(iv) Policy of National Labor Relations Board	77
1.08(3)(b)(v) Labor Management Relations Act	78
1.08(3)(c) Commercial Arbitration	79
1.08(3)(c)(i) Background	79
1.08(3)(c)(ii) Commercial Law and Enforcement of Agreements to Arbitrate	80
1.08(4) Arbitrable Disputes	82
1.08(4)(a) In General	82
1.08(4)(a)(i) Guidelines Established by “Steelworkers Trilogy.”	83
1.08(4)(a)(ii) Contract Provisions	84
1.08(4)(b) National Football League	85
1.08(4)(c) Major League Baseball	86
1.08(4)(d) National Basketball Association	87
1.08(4)(e) Challenges to Arbitrability	89
1.08(4)(e)(i) Waiver	89
1.08(4)(e)(ii) Public Policy	91
1.08(5) Role of the Arbitrator	92
1.08(5)(a) In General	92
1.08(5)(b) Interpreting and Applying Contract Language	93
1.08(5)(c) Power to Fashion a Remedy	94
1.08(5)(d) Commissioners as Arbitrators	95
1.08(5)(e) Judicial Review of Arbitral Awards	96
1.08(6) Arbitration Cases	97
1.08(6)(a) The Reserve Clause	97
1.08(6)(b) Free Agency — Collusion Cases	99
1.08(6)(c) Strike Payment Clauses	102
1.08(6)(d) Player Contract Interpretation	103
1.08(6)(e) Discharge Cases	106
1.08(6)(f) Injury Grievances	110
1.08(7) Procedure for Arbitration	113
1.08(7)(a) National Football League	113
1.08(7)(a)(i) Non-Injury Grievance	113
1.08(7)(a)(ii) Injury Grievance	114

	<i>Page</i>
1.08(7)(b) National Basketball Association	116
1.08(7)(c) Major League Baseball: Non-Salary Disputes	117
1.08(7)(c)(i) Exclusions from Grievance-Arbitration System	117
1.08(7)(c)(ii) Four Steps in Grievance Arbitration Process	118
1.08(7)(d) Major League Baseball: Salary Arbitration ..	118
1.08(7)(d)(i) In General	118
1.08(7)(d)(ii) Eligibility	119
1.08(7)(d)(iii) Free Agency	120
1.08(7)(d)(iv) Procedure	121
1.08(7)(d)(v) The Numbers	123
1.08(7)(d)(vi) Overpaid?	126
1.08(7)(d)(vii) Pay for Performance	127
1.08(7)(d)(viii) Problems of Salary Arbitration	128
1.08(7)(d)(ix) Conclusions	130

CHAPTER 2

ENFORCING SPORTS CONTRACTS

§ 2.01. Introduction: Nature of the Disputes	132
§ 2.02. Team's Exclusive Right to Athlete's Services	132
2.02(1) Express Covenants	132
2.02(2) Implied Covenants	135
§ 2.03. Arbitration	136
2.03(1) Review of Arbitrator's Decision	137
2.03(2) Examples of Arbitration Decisions	139
2.03(3) Circumvention of Arbitration	142
§ 2.04. Establishing a Court's Jurisdiction	142
2.04(1) In General	142
2.04(2) Jurisdiction over Athletes	144
2.04(3) Jurisdiction over Teams	145
2.04(3)(a) Games Played in the Forum State	145
2.04(3)(b) Team Revenues Earned in the Forum State ..	146
2.04(3)(c) Broadcasting Games in the Forum State	147
2.04(3)(d) Recruiting	148
§ 2.05. Actions by Team Against Player	148
2.05(1) In General	148
2.05(2) Remedies	149
2.05(2)(a) Injunctive Relief	149

TABLE OF CONTENTS

	<i>Page</i>
2.05(2)(a)(i) In General	149
2.05(2)(a)(ii) Specific Requirements	151
2.05(2)(a)(ii)(A) Unique Services	151
2.05(2)(a)(ii)(B) Irreparable Harm	152
2.05(2)(a)(ii)(C) Economic Competition	152
2.05(2)(b) Specific Performance	157
2.05(2)(c) Money Damages	158
§ 2.06. Athlete's Defenses Against Breach of Contract Actions ...	163
2.06(1) Unclean Hands	164
2.06(2) Lack of Mutuality	166
2.06(3) Illegality and Unconscionability	168
2.06(4) Lack of Commissioner Approval	169
2.06(5) Collusion	170
§ 2.07. Actions by Athlete Against Team	176
§ 2.08. Tortious Interference	178
§ 2.09. Tampering	181
§ 2.10. Contract Enforcement — Fines — Discipline	186
2.10(1) In General	186
2.10(2) Specific League Provisions	190
2.10(2)(a) The National Football League	190
2.10(2)(b) The National Basketball Association	193
2.10(2)(c) Major League Baseball	194
§ 2.11. Appeal of Fines or Disciplinary Actions by Players	195
§ 2.12. Renegotiation of Contracts	196

CHAPTER 3

BASKETBALL CONTRACTS

§ 3.01. Introduction: Growth of Professional Basketball	204
3.01(1) Importance of Television and Licensing Sales	206
3.01(2) Players' Salaries	207
3.01(3) 1983 Agreement — Problems of Escalating Salaries and Drugs	210
§ 3.02. Regulation of Agents	213
§ 3.03. Uniform Player Contract	214
3.03(1) Provisions of Collective Bargaining Agreement	214
3.03(2) Allowable Amendments	214
3.03(3) Undisclosed Agreements Prohibited	216
§ 3.04. Paragraph 1: Term of Contract	216
§ 3.05. Paragraph 2: Compensation Provisions	218
3.05(1) Exhibit I — Compensation	218

	<i>Page</i>
3.05(1)(a) Base Salary	218
3.05(1)(b) Deferred Compensation	220
3.05(1)(c) Interest on Deferred Compensation	225
3.05(1)(d) Loans	227
3.05(1)(e) Individual Compensation and Other Arrange- ments	229
3.05(1)(e)(i) Status — Signing Bonus	229
3.05(1)(e)(ii) Performance Bonuses	231
3.05(1)(e)(iii) Volume of Play Bonuses	232
3.05(1)(e)(iv) Awards or Honor Bonuses	233
3.05(1)(e)(v) Pre-Pension Benefit Plan	234
3.05(1)(e)(vi) Miscellaneous Compensation	234
3.05(1)(e)(vii) Unusual and Proposed Clauses	235
3.05(1)(e)(vii)(A) The Marquee Salary Clause	236
3.05(1)(e)(vii)(B) Escape Clause for European Player Contracts	238
3.05(1)(e)(vii)(C) Non-Renegotiation Clause ...	239
3.05(1)(e)(viii) Salary Reductions or Shifts	239
3.05(2) Exhibit II — Salary Guarantee	240
3.05(2)(a) No-Cut Provision	242
3.05(3) Exhibit III — Prior Injury Exclusion	243
3.05(4) Exhibit IV — Assignment Payments	243
§ 3.06. Paragraph 3: Travel Expenses	245
§ 3.07. Paragraph 4: Club Rules; Fines and Suspensions	246
§ 3.08. Paragraph 5: Player Covenants	247
§ 3.09. Paragraph 6: Injury and Drug Testing Plan	247
§ 3.10. Paragraphs 7 and 8: Notice of Injury and Medical Exami- nation	253
§ 3.11. Paragraph 9: Unique Skills	254
§ 3.12. Paragraphs 10 to 12: Assignment of Contract	256
§ 3.13. Paragraph 13: Bonus Basis	257
§ 3.14. Paragraph 14: Filing with Commissioner	258
§ 3.15. Paragraph 15: League Fines	258
§ 3.16. Paragraph 16: Gambling	260
§ 3.17. Paragraph 17: Ultrahazardous Activity	261
§ 3.18. Paragraph 18: License of Image	264
§ 3.19. Paragraph 19: Anti-Tampering	266
§ 3.20. Paragraph 20: Termination of Contract	267
§ 3.21. Paragraph 21: Dispute Resolution	272
§ 3.22. Miscellaneous Contract Provisions	273
3.22(1) Retirement Clause	273

TABLE OF CONTENTS

	<i>Page</i>
3.22(2) Non-mitigation and Set-Off Clause	274
3.22(3) Washout Clauses	275
3.22(4) Insurance Clauses	275
§ 3.23. Salary Cap — Impact on UPC and Negotiations Therefor	275
§ 3.24. Conclusion: The Future of the NBA	282

CHAPTER 4

FOOTBALL CONTRACTS

§ 4.01. Introduction: The Legal History of the NFL	288
4.01(1) Challenge to “Rozelle Rule”	288
4.01(2) 1987 Strike	289
4.01(3) Antitrust Claims Against NFL	289
4.01(4) Uniform Salary Provisions	292
4.01(5) Price-Fixing Suit	293
4.01(6) Other Actions Between NFLPA and NFL	293
§ 4.02. Absence of CBA — Contract Rider to Secure Benefits	294
§ 4.03. Uniform Player Contract	296
4.03(1) Subjects of Special Provisions	296
4.03(2) Negotiating Calendar	297
§ 4.04. Paragraph 1: Term of Contracts	297
§ 4.05. Paragraph 2: Employment and Services	300
§ 4.06. Paragraph 3: Other Activities	301
§ 4.07. Paragraph 4: Publicity	302
§ 4.08. Paragraph 5: Compensation Provisions	303
4.08(1) Average Salary Information	303
4.08(2) Sample Salary Structure for Contract	307
4.08(3) “Slotting” System	309
4.08(4) Skill or Injury Guarantees	310
4.08(5) Bonus Provisions	312
4.08(5)(a) Pitfalls in Drafting Bonus Provisions	312
4.08(5)(b) Warnings with Respect to Incentive and Performance Bonuses	318
4.08(5)(c) Types of Bonus Clauses	320
4.08(5)(c)(i) Preplay or Status Bonuses	320
4.08(5)(c)(i)(A) Signing Bonus	320
4.08(5)(c)(i)(B) Reporting Bonus	324
4.08(5)(c)(i)(C) Roster Bonus	325
4.08(5)(c)(i)(D) Off-Season Workouts	327
4.08(5)(c)(ii) Volume of Play Bonuses	328

	<i>Page</i>
4.08(5)(c)(iii) Statistical Performance Bonuses	328
4.08(5)(c)(iv) Honor or Award Bonuses	330
4.08(6) Miscellaneous Clauses	333
4.08(6)(a) Deferred Compensation	333
4.08(6)(b) Two-Sports Athlete	334
4.08(6)(c) Donation to Charity	334
4.08(6)(d) Escalator Clause	334
4.08(6)(e) Interest-Free Loan	335
4.08(6)(f) Annuity	335
4.08(6)(g) No Renegotiation Bonus	336
4.08(6)(h) No Trade Clauses and "Perks" for Consenting to Trade	336
4.08(6)(i) Complimentary Tickets	336
4.08(6)(j) Traveling Expenses	337
4.08(6)(k) Bonuses to Other Players Based Upon Player's Performance	337
§ 4.09. Paragraph 6: Payment of Compensation	337
§ 4.10. Paragraph 7: Deductions from Salary	338
§ 4.11. Paragraph 8: Physical Condition of Player	339
§ 4.12. Paragraph 9: Injury to Player	339
§ 4.13. Paragraph 10: Workers' Compensation	340
§ 4.14. Paragraph 11: Skill, Performance and Conduct of Players	343
§ 4.15. Paragraph 12: Termination of Contract	344
§ 4.16. Paragraph 13: Injury Grievance Procedure	345
§ 4.17. Paragraph 14: Club Rules and Disciplinary Actions	347
§ 4.18. Paragraph 15: Integrity of the Game	349
§ 4.19. Paragraph 16: Tolling and Extension of Contract	352
§ 4.20. Paragraph 17: Renewal of Contract	353
§ 4.21. Paragraph 18: Assignment of Player	353
§ 4.22. Paragraph 19: Filing and Approval of Contract	355
§ 4.23. Paragraph 20: Disputes — Non-Injury Grievance Proce- dure	355
§ 4.24. Paragraph 21: Notice Requirements	356
§ 4.25. Paragraph 22: Other Agreements	356
§ 4.26. Paragraph 23: Law Covering Contract	356
§ 4.27. Paragraph 24: Special Provisions	356
§ 4.28. Negotiations with Players Outside the NFL	356
§ 4.29. Noncontractual Rewards	358
§ 4.30. Free Agency: Right of First Refusal and Compensation ...	358
4.30(1) Offer Sheet	358

TABLE OF CONTENTS

	<i>Page</i>
4.30(2) Free Agency Not "Free"	359
4.30(3) Options of Player Not Receiving Offer Sheet	359
4.30(4) Plan B System of Free Agency	360
§ 4.31. Conclusion: The Future of the NFL	362
4.31(1) Team Expansion	362
4.31(2) Expansion of Schedule	363
4.31(3) Television Revenues	363
4.31(4) Importance of New CBA	364

CHAPTER 5

BASEBALL CONTRACTS

§ 5.01. Introduction: Economic Factors	366
5.01(1) Players' Salaries	367
5.01(2) Television	374
5.01(3) Collusion Case Settlement	375
5.01(4) Revenue Disparity	376
5.01(5) Attendance Costs — Luxury Seating	378
5.01(6) Investment Potential	379
§ 5.02. Uniform Player Contract	379
5.02(1) Uniformity	380
5.02(2) Agents	380
§ 5.03. Paragraph 1: Term of Contract	381
§ 5.04. Paragraph 2: Compensation	383
5.04(1) Deferred Compensation	383
5.04(2) Proportional Payments	384
5.04(3) Minimum Salary	384
5.04(4) Guarantees	385
5.04(5) Bonuses and Incentive Clauses	388
§ 5.05. Paragraphs 3(A) and 3(B): Player Covenants	400
5.05(1) Paragraph 3(A): Loyalty	400
5.05(2) Paragraph 3(B): Promotional Activities — Conduct	400
§ 5.06. Paragraph 3(C): Pictures and Public Appearances	401
§ 5.07. Paragraphs 4(A) to 4(C): Player Representations	404
5.07(1) Paragraph 4(A): Ability	404
5.07(2) Paragraph 4(B): Condition	404
5.07(3) Paragraph 4(C): No Financial Interest in Club	405
§ 5.08. Paragraphs 5(A) and 5(B): Exclusive Service — Other Sports	405
5.08(1) Paragraph 5(A): Exclusive Service	405
5.08(2) Paragraph 5(B): Other Sports	406

	<i>Page</i>
§ 5.09. Paragraphs 6(A) to 6(F): Assignment of Contract	410
5.09(1) Paragraph 6(A): Agreement to Trade — Special Covenants — “10 and 5” Rule	410
5.09(2) Paragraph 6(B): Medical Information	411
5.09(3) Paragraph 6(C): No Salary Deduction	411
5.09(4) Paragraph 6(D): Reporting	412
5.09(5) Paragraph 6(E): Obligations of Assignor and Assignee Clubs	412
5.09(6) Paragraph 6(F): Moving Allowances	412
§ 5.10. Paragraphs 7(A) to 7(E): Termination of Contract	414
5.10(1) Paragraph 7(A): Grounds for Termination by Player	414
5.10(2) Paragraph 7(B): Grounds for Termination by Club ..	414
5.10(3) Paragraph 7(C): Termination Pay	415
5.10(4) Paragraph 7(D): Procedure	418
5.10(4)(a) Disabled List or Designated Player List	419
5.10(5) Paragraph 7(E): Club Obligations	420
§ 5.11. Paragraph 8: Regulations	420
§ 5.12. Paragraphs 9(A) to 9(C): Compliance with Rules — Disputes	420
5.12(1) Paragraph 9(A): Compliance with Rules	420
5.12(2) Paragraph 9(B): Disputes	420
5.12(3) Paragraph 9(C): Publication of Findings	421
§ 5.13. Paragraph 10(A): Renewal of Contracts	421
§ 5.14. Paragraph 11: Military Service — National Emergency ..	422
§ 5.15. Paragraph 12: Other Agreements	422
§ 5.16. Filing and Approval of Contract	422
§ 5.17. Arbitration	423
5.17(1) Eligibility for Arbitration	423
5.17(2) Arbitration in 1991	424
§ 5.18. Free Agency	429
5.18(1) Eligibility for Free Agency	429
5.18(2) Procedure	429
5.18(3) Right of Former Club to Sign Free Agent	430
5.18(4) Repeater Rights	431
5.18(5) Individual Nature of Free-Agency Rights	431
§ 5.19. Spring Training Conditions	432
§ 5.20. Baseball Economic Study Committee	433
5.20(1) Material Available to Committee	434
5.20(2) Deliberations and Report of Committee	434
§ 5.21. The Minor Leagues	436

TABLE OF CONTENTS

	<i>Page</i>
§ 5.22. Gambling	437
§ 5.23. Suspensions	438
§ 5.24. Baseball Draft	440
§ 5.25. Conclusion: Problems to Be Solved	443

CHAPTER 6

COLLEGE COACHES' CONTRACTS

§ 6.01. Introduction: "The Environment"	446
6.01(1) Job Movement	446
6.01(2) Added Pressures of the Job	447
6.01(3) Graduation Rates	448
6.01(4) Importance of Winning	450
6.01(5) Changes in Players' Attitudes	454
6.01(6) Salaries and Benefits	454
§ 6.02. Drafting Considerations	456
§ 6.03. Knowing the Law	457
6.03(1) <i>Rodgers v. Georgia Tech Athletic Association</i>	461
6.03(2) <i>McLaughlin v. Union Leader Corp.</i>	465
§ 6.04. National Collegiate Athletic Association (NCAA) Regulations	467
§ 6.05. The Knight Foundation Commission Report	472
§ 6.06. State Open-Records Law	474
§ 6.07. Contract Clauses and Issues	477
6.07(1) Introduction	477
6.07(2) Duties and Responsibilities of Coach	479
6.07(3) Term of Employment	481
6.07(4) "Rollover" Provisions	485
6.07(5) Reassignment Clause	488
6.07(6) Compensation Clauses	491
6.07(6)(a) Guaranteed Base Salary	491
6.07(6)(b) Fringe Benefits	493
6.07(6)(c) Moving — Relocation Expense Allowance	494
6.07(6)(d) Bonuses	495
6.07(6)(e) Additional Retirement Benefits	496
6.07(7) Outside or Supplemental Income Sources	500
6.07(7)(a) Radio and Television	504
6.07(7)(b) Endorsements	505
6.07(7)(c) Shoe, Apparel, and Equipment Contracts	506
6.07(7)(d) Income from Speeches and Written Material	509
6.07(7)(e) Summer Camps	509